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C O N F I D E N T I A L SECTION 01 OF 02 CHIANG MAI 000151

SIPDIS

NSC FOR WALTON

E.O. 12958: DECL: 10/5/2019

TAGS: PREL PGOV BM TH

SUBJECT: BURMA: MORE REACTION TO USG POLICY REVIEW

REF: CHIANG MAI 141 (EXILES APPLAUD)

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CLASSIFIED BY: Alex Barrasso, Chief, Pol/Econ, CG Chiang Mai.

REASON: 1.4 (b), (d)

Summary and Comment

- (C) Former Thai Ambassador to Burma Poksak Nilibul told P/E Chief on October 5 he welcomed U.S. engagement, but opined that regardless of what policy the U.S. adopted, the Burmese regime would always have the upper hand. The U.S. should work collectively with ASEAN and other interested players to build pressure on the regime for political reform, he argued. Poksak also urged the U.S. to determine its stance on key issues (ASSK release, 2010 elections) now, a sentiment echoed in a separate meeting with Burmese exile Aung Naing Oo of the Vahu Development Institute.
- 12. (C) Comment: Our contacts' comments largely mirrored those from our earlier meeting with Chiang Mai-based Burmese exiles (Reftel): they welcomed the USG's policy review but were skeptical about what kind of near-term change could be expected from the regime; and they urged the U.S. to establish clear benchmarks that would guide our response to moves the regime would try to portray as major concessions. End Summary and Comment.

Engagement Welcome

13. (C) Following our recent discussion of the USG's Burma policy review with Chiang Mai based Burmese exiles (Reftel), we sought reaction from two additional sources. On October 5, P/E Chief reviewed the conclusions of the U.S. policy review on Burma with former Thai Ambassador to Rangoon Poksak Nilibul. Poksak welcomed engagement, and asked whether U.S. engagement would be broad-based. He argued that during his Ambassadorship (1997-2001), ASEAN's constructive engagement had been one-dimensional, focused exclusively on creating economic

opportunities for ASEAN businessmen. What Poksak advocated for with the Thai MFA, he asserted, was a broader engagement strategy that would target democratic opposition groups and ethnic minorities. Unfortunately, the Ministry didn't listen to him, he lamented. P/E Chief responded that while the USG was starting a dialogue with the regime, our goals remained unchanged, and we would still call on the regime to dialogue with the democratic opposition and ethnic minorities. He also told Poksak that our Embassy in Rangoon constantly engages both the democratic opposition and ethnic minority groups.

14. (C) In a separate meeting on October 6, the Vahu Development Institute's Aung Naing Oo, a Burmese exile based in Chiang Mai, echoed the call for broad-based engagement, encouraging the U.S. to establish a formal dialogue process with Burmese businessmen. They are very close to the military, he pointed out, and are a good way for the U.S. to reach top leaders. The USG's aim should be to focus on the hard-liners - they need to be convinced of the need to transition to democracy more than anyone else, he argued. Aung Naing Oo also suggested that in the future, the U.S. should consider engaging working-level GOB officials on key issues like a transparent judiciary, security sector reform, and election procedures. This engagement did not have to be carried out in the context of formal training, he opined, but could be as simple as providing speakers to address those topics, both inside and outside the American and Jefferson Centers.

You	Need	a	Roadmap

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15. (C) Poksak repeatedly stressed the importance of the USG deciding where it stood on key issues early in the process. How will the U.S. respond if Aung San Suu Kyi (ASSK) is released? What if the regime makes concessions on counternarcotics or election procedures in 2010? Aung Naing Oo echoed these sentiments, saying "you need your own roadmap of sorts," and "you have to be prepared to respond to concessions." That said, he cautioned that we should not expect much from the regime. They may release some political prisoners ahead of the elections, he asserted, and perhaps Aung San Suu Kyi will be allowed to campaign for the National League for Democracy, even though she herself cannot run.

Engagement	Alone	Won't	Work

16. (C) Poksak noted to us several times that "the regime has the upper hand." It will only make concessions if it is in its self-interest to do so, he opined. The regime will also continue to play countries in the region off against each other to get the best deal for itself, he asserted. What the U.S. should do, he argued, is work with China, ASEAN, Russia, India, Japan and South Korea to build consensus on pressuring the regime to implement political reform. "It's difficult," he said, but this is the best way forward. The unfortunate truth, he asserted, is that the regime has the advantage no matter what the international community does, and it won't give it up.

Thus, Poksak remains pessimistic about prospects for change in the short-term. $\ensuremath{\mathsf{MORROW}}$